

### Export LC Bills Application Form

We hand you drafts and/or documents as specified below for disposal in accordance with the instruction mentioned herein.

|  |  |
|--|--|
| Drawer / Beneficiary (Name & Address) :  | Issuing Bank Name :  |
|  | LC Reference No. : <span style="float: right;">Issue Date :</span>     |
| Contact Person: <span style="float: right;">Phone No.:</span>  | Transferring Bank Name :   |
|  | Transferring Reference No. : <span style="float: right;">Date :</span> |
| Applicant (Name & Address) :   | Advising Reference No. :   |
|  | Bill of Exchange No. and Date :  |
| Description of Goods :   | Bill Currency & Amount :   |
| Tenor of Bill of Exchange  |  |
| 1. At Sight                      2. _____ Days After Sight                      3. Others : _____ (Please specify) |  |

**Documents enclosed (please indicate the number of originals and copies)**

|   | Bill of Exchange | Commercial Invoices | Packing List | Bill of Lading | Air Waybill | Insurance Policy/ Certificate | Certificate of Origin | Inspection Certificate | Beneficiary Certificate | Weight List | Delivery Order |
|---|------------------|---------------------|--------------|----------------|-------------|-------------------------------|-----------------------|------------------------|-------------------------|-------------|----------------|
| Original  |                  |                     |              |                |             |                               |                       |                        |                         |             |                |
| Copies  |                  |                     |              |                |             |                               |                       |                        |                         |             |                |
| Other Document(s) (Please specify) : _____<br>_____ |                  |                     |              |                |             |                               |                       |                        |                         |             |                |

**We hereby agree that all negotiations are subject to final payment from issuing bank and we request you to dispose the attached draft and relative documents by following instructions marked "X"**

|   |
|---|
| <p>Purchase and credit our account immediately</p> <p>After negotiation please credit our account upon receipt of funds (subject to final payment)</p> <p>Send on collection basis and credit our account upon receipt of funds (without checking documents)</p> <p>In case of need or discrepancy(ies) please contact our _____ at Telephone No: _____</p> <p>In case of discrepancies which cannot be amended, kindly forward documents to L/C issuing bank for payment/acceptance.</p> <p>Request restricted bank to forward documents to the issuing bank for acceptance / payment</p> <p><b>Other Instructions (Please specify) :</b> _____</p> <p><small>** This document should be handled with the Subject in accordance to the Uniform Customs and Practice for Documentary Credits (2007 Revision), 'UCP600'.</small></p> |
|---|

|   |
|---|
| <p>Proceeds Disposal :</p> <p>Please credit our Account with you.</p> <p>Other Instruction (specify) _____</p>  |
| <p>We instruct KBZ Bank to negotiate the bills under the Terms and Conditions set forth on reverse page and to debit our account below for all your charges.</p> <p>Account No :</p> <p>Signature &amp; Company Stamp :</p> <p>Date :</p> |

## TERMS AND CONDITIONS FOR EXPORT LETTER OF CREDIT BILL PROCESSING

### 1. DEFINITION

In this Terms and Conditions, the following terms shall have the following meaning unless the context so otherwise requires

- 1.1 **“Customer** “refer to a KBZ Bank customer using the Bank’s products or services.
- 1.2 **“KBZ BANK”** means Kanbawza Bank Limited and all the branches of KBZ Bank, including any branches that shall be set up by KBZ Bank in the future.
- 1.3 **“Business Day** “means a day other than a Saturday, Sunday, public holiday or bank holiday in Myanmar.
- 1.4 **“CBM”** means the Central Bank of Myanmar.
- 1.5 **“Term** “means the term of this terms and conditions determined in accordance with the provisions of Clause 10.
- 1.6 **“Website** “means the KBZ Bank Website at [www.kbzbank.com](http://www.kbzbank.com).

### 2. TERMS AND CONDITIONS

- 2.1 Customer hereby undertake to provide the Bank with funds to meet on demand all drafts and/or documents negotiated/paid/accepted/deferred payment undertaken by the Bank at the Customer’s request which may be dishonored on presentation for acceptance or which may not be paid on sight or on the due date according to its tenor. The Bank’s rights against the Customer shall not be prejudiced owing to any such drafts and/or documents not having been noted and/or protested in the event of dishonor by non-acceptance and/or on-payment and to reimburse the Bank for all financing or payments made against documents of title or other documents which may not have been duly taken up on presentation to the confirming or issuing bank.
- 2.2 It is understood and agreed that for the purpose of presenting and/or collecting any document, the Bank may forward the same to any agent of the Bank’s own selection, who may collect the document



through one or more sub-agents selected by it or by any sub-agent; and the Bank's liability is limited to due diligence in selecting those to whom the documents are forwarded by the Bank. The Bank may, however, without liability on its part, forward any documents for presentation and/ or collection directly to the issuing or confirming bank; and the Bank, or any collecting agent or sub-agent, may accept drafts in payment of any documents. The Bank shall not be responsible for loss of any kind due to the acts of negligence of any such agents or sub-agents or for loss in or through the mails or for any failure to present, demand or collect; or protest or give notice of protest or dishonor of any document.

- 2.3 The Bank is under no duty or responsibility to check the drafts/documents enclosed herein unless the Bank agree to negotiate the said drafts/documents and, if the Bank do, the Customer shall not hold the Bank responsible nor is the Bank's right of recourse prejudiced in any way in the event that the documents are found by a court of law or tribunal to contain discrepancies or in the event that any discrepancies are not identified by the Bank, its servants, employees or agent, whether or not as a result of a willful or negligent act or omission.
- 2.4 Customer shall pay all interest and charges applicable to any processing which the Bank may undertake pursuant to our request at such rates and for such periods as the Bank may from time to time determine.
- 2.5 The Bank is authorised at its discretion to insure the Goods financed by the Bank hereunder naming itself as the loss payee with an insurer of its choice. Furthermore, it is understood and agreed that neither the Bank nor any of its correspondents assume any responsibility for failure to procure any insurance or for the sufficiency or adequacy of any insurance obtained or for any delay in, or prohibition of, the conversion of the proceeds of any claims recovered under such insurance, or for the failure to recover any loss because of lack of exchange. Should any claim arise under any insurance the Bank is authorised to recover the full amount thereof, the Customer agree to assign to the Bank the policy or policies for that purpose and to take all necessary steps to effect such



assignment.

- 2.6 Any handling of documents under the Letter of Credit (whether by way of negotiation or otherwise) should be subject to the Uniform Customs and Practice for Documentary Credits, ICC Publication No. 600 or such later version of the document in force at the time of our request (“UCP”). Any bank to bank reimbursements shall be subject to the Uniform Rules for Bank to Bank Reimbursement under Documentary Credits ICC Publication No. 725 (“the Uniform Rules for Bank to Bank Reimbursement under Documentary Credits”) or such later version of the document in force at the time of our request. In the event of any inconsistency between the provisions of this terms and conditions and the provisions of UCP or (as the case may be) the Uniform Rules for Bank to Bank Reimbursement under Documentary Credits, the provisions of this Agreement shall prevail.
- 2.7 In the event that the Bank are requested by the Customer to present drafts and/or documents under the Letter of Credit to the Issuing Bank, the Customer may further request that the proceeds under the Letter of Credit be advanced to the Customer at any time before or on the banking day on which reimbursement is due to the Bank from the issuing or confirming bank. In the event that such a request is made and acceded to, the Bank shall be entitled to advance to the Customer such proceeds on or before the banking day on which reimbursement is due to the Bank and thereby assume the rights under the Letter of Credit as a negotiating bank and charge the Customer negotiation commission and other fees as the Bank deems appropriate.
- 2.8 The Letter of Credit together with drafts, invoices, carriage documents or other documents representing or relating to the Goods, and all other documents enclosed with the request which the Customer have attached to the Customer’s application for payment/ acceptance/ deferred payment/ negotiation/ the Bank’s handling (hereinafter collectively referred to as “processing”) and the Goods represented by the said documents or financed by the Letter of Credit or to which the documents relate as well as any proceeds received under the Letter of Credit pursuant to the Customer’s request shall be pledged to or otherwise encumbered as security in favour of the bank the Bank as continuing



security for all sums in which Customer may from time to time be actually or contingently indebted or liable to the Bank on any account. Customer agree to do such acts as may be necessary to perfect the Bank's security in the Goods. Without prejudice to the Bank's other rights herein, in the event that we are in default of payment of any amount due from the Customer, the Bank shall be entitled, without notice to ourselves, to sell the Goods or any part thereof by public auction or private contract (at the Bank's sole discretion) and apply the proceeds of sale in or towards payment of the principal and interest for which the Customer are liable to the Bank; if the proceeds of such sale do not fully cover any amount due to the Bank, the Customer shall pay the amount of the deficiency forthwith upon the Bank's demand. The security conferred herein shall be in addition to and shall not be in any way prejudiced or affected by any other security now or hereafter held by the Bank nor shall such other security or any lien to which the Bank may be otherwise entitled.

2.9 Without prejudice to the other provisions in this terms and conditions, the Bank may sell all or part of the Goods represented by the above mentioned documents or to which they relate in such manner (whether by public auction, private treaty or otherwise) as the Bank think fit if any one of the following events occurs:

- 2.9.1 on default of acceptance or payment upon presentation of drafts and/or documents.
- 2.9.2 on our failure to repay on demand any payment made by the Bank or other indebtedness of ours to the Bank (whether or not connected with or arising from our request) together with all interest, commissions and other charges in respect thereof.
- 2.9.3 if and whenever the Bank consider it desirable having regard to the market value of the goods that the goods should be sold whether or not any contingent or other liability of ours to the Bank shall have actually matured.
- 2.9.4 After deduction of any interest charges and commission to which the Bank is entitled and expenses incurred by the sale, the Bank may apply the net proceeds in payment of such advances or indebtedness or liability of ours to the Bank, with interest, and re-exchange



expenses, with the balance, if any, is to be used at the Bank's option to discharge any other outstanding liability which Customer may have against the Bank and subject thereto to be accounted to the Customer.

2.9.5 Without prejudice to any other terms and conditions herein, where, for any reason whatsoever, whether with or without legal basis, payment of the proceeds under the Letter of Credit or drafts is not received by the Bank from or not made by the issuing or confirming bank when such payment is due or if the issuing or confirming bank of the Letter of Credit seeks reimbursement of any payment made to the Bank thereunder and / or reject documents or drafts presented thereunder or if one or more of the documents presented under the Letter of Credit is forged or contains any misrepresentation or false factual information known to the Customer any amount paid by the Bank to the Customer pursuant to such negotiation shall become immediately repayable to the Bank by the Customer and the Bank shall have full recourse against the Customer in respect of such payment as has been made to the Customer earlier.

2.10 Without prejudice to the generality of the other terms and conditions herein, where financing is provided to Customer against the Letter of Credit and documents presented thereunder and/or drafts, pursuant to our application, we shall and do hereby assign unconditionally and irrevocably to the Bank all rights, interests, benefits, entitlements, debts, suits and choses in action as are due under the Letter of Credit and/or drafts and the Customer irrevocably authorize the Bank to give notice of such assignment to the issuing bank. The Customer agree that the Bank may commence any legal action or proceedings in the Customer name or in the Bank's and the Customer names jointly as instructed by the Bank if necessary and that the Customer would provide the Bank the Customer full and diligent co-operation, including but not limited to the execution of any documents, affidavits and powers of attorney, in any action or proceedings commenced (whether in our name or not) to enforce or obtain payment from the issuing or confirming bank whether pursuant to this assignment or otherwise.



2.11 If there occurs in relation to the presentation under Letter of Credit / negotiation of or advance against the Letter of Credit an extraordinary event (as defined below), the Bank shall have the sole discretion to receive payment under the Letter of Credit in any alternative currency at such exchange rate as the Bank may determine in the Bank's discretion. Provided the Bank undertakes such action in good faith, any such action shall be binding on Customer who shall be liable for any additional loss, damages, costs, charges and/or expenses incurred by the Bank. An "extraordinary event" shall mean any event which the Bank believes to have a material adverse effect, including any form of exchange control restriction or requirement of whatsoever nature affecting the availability, convertibility, credit or transfers of currencies or funds, any form of debt or other moratorium on jurisdictions, individuals, or entities, any devaluation, re-denomination or de-monetization and/or any form of restriction or requirement which in the Bank's good faith opinion adversely alters or changes the rights or obligations which the Bank undertook when the Bank makes an advance pursuant to our application under the presentation under Letter of Credit/ upon negotiation of the Letter of Credit.

### **3. LIMITATION OF LIABILITY**

Neither party will be liable to the other for any loss of profits, loss of data, loss of use, cost of cover, business interruption or other special and incidental, indirect, punitive or consequential damages, howsoever caused, under whatsoever theory of liability, arising from the performance of, or relating to, this terms and conditions, unless either party causing loss did so willfully, negligently or without the due care and skill required for someone in the position of that party.





#### 4. INDEMNITY

- 4.1 The Customer agrees to defend, indemnify and hold harmless KBZ Bank against any and all claims, losses, penalties, causes of action, damages, liability, costs, expenses (including but not limited to reasonable attorney fees) or claims caused by or resulting from the use of the services.
- 4.2 Customer hereby irrevocably and unconditionally undertake and agree to indemnify the Bank, the Bank's successors and assigns in full and at all times to keep the Bank, the Bank's successors and assigns fully and completely indemnified from and against all liability, claims, demands, actions, proceedings, payments (including but not limited to payments under the Letter of Credit), losses and expenses whatsoever including but not limited to legal costs as between solicitor and client which may be made or taken or incurred or suffered by the Bank in connection with our request herein including but not limited to those liability ties relating to or arising from any and all discrepancies that may exist between the documents as called for in the terms of the Letter of Credit and the documents enclosed with the Customer's application, regardless of whether or not such discrepancies are identified or advised by the Bank.

#### 5. RIGHT OF SET OFF

- 5.1 The Customer is obliged to return any excess funds inaccurately credited due to erroneous transactions by a third party or by the Bank or for any reason. Where such funds do not rightfully belong to the customer, the Bank may deduct such excess deposits without any restriction, notice or by all reasonable other means.
- 5.2 In addition to any general lien, right of set-off or any other right to which the Bank may be entitled by law or contract, the Bank may at any time at the Bank's discretion and without notice to the Customer earmark, debit, set off or transfer any sum or sums standing to the credit of the Customer's account from time to time (including but not limited to any fixed deposit account, notwithstanding that any deposit on such fixed deposit account has not matured or any of the special conditions applicable to the deposit have not been satisfied) in or towards payment or satisfaction of all sums due from the





Customer hereunder or for the amount of unaccepted or unpaid drafts or of advances against documents of title or other documents for which the Customer are liable to the Bank or any deficiency arising after realization of the Goods. Any and all currency conversions shall be at the Bank's prevailing foreign exchange rate unless otherwise arranged beforehand.

## 6. WARRANTY

- 6.1 As a condition of the use of services, the Customer warrants to KBZ Bank that the Customer will not use services for any unlawful purpose. The Customer agrees to abide by all applicable laws, rules, regulations and statutory requirements regarding the use of services.
- 6.2 As a condition of the use of services, the Customer warrants to KBZ Bank that the Customer will not use services for any unlawful purpose. The Customer agrees to abide by all applicable laws, rules, regulations and statutory requirements regarding the use of services.

## 7. INTELLECTUAL PROPERTY

KBZ Bank is an owner of all intellectual property rights, whether in contents or wording, pictures, signs, logo, trade service marks, trade name as well as all design works, in all documents and websites of KBZ Bank. The Customer must not exploit the intellectual property right of KBZ Bank or make any advertisement without receiving prior written consent from KBZ Bank. The Customer shall not perform or allow any third party to perform any action that might cause damage to the image, trademark, trade name or other intellectual property right of KBZ Bank.

## 8. FORCE MAJEURE

The Customer understands that KBZ Bank shall not be liable for any failure of or delay in the performance of this services for the period that such failure or delay is due to causes beyond its reasonable control, including but not limited to acts of God, war, strikes or labor disputes, embargoes, government orders, fire, flood, torrential rain, storm or other extreme weather conditions, riot, insurrection, civil commotion, sanctions,



boycott, failure of electricity, equipment failure, epidemic or any other force majeure event. KBZ Bank performance of these services will, to the extent that it is prevented, hindered or delayed by such circumstances, be suspended until such circumstances cease to exist. KBZ Bank will not be liable to the Customer or any other party or be considered in breach of this terms and conditions for a failure to perform, or delay in performing, any such obligation set out in this terms and conditions while those circumstances continue.

## 9. SEVERABILITY

Each of the provisions of this terms and conditions shall be several and distinct from one another. If any of the provisions of these terms and conditions becomes invalid, void, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in any way be thereby affected or impaired.

## 10. TERMINATION

KBZ Bank shall have the right to terminate this services or any access or KBZ Bank related services in full at its discretion for any time, with or without cause, effective immediately.

## 11. AMENDMENT

The Customer acknowledges that KBZ Bank reserves the right to amend, modify or substitute any provisions of this terms and conditions or to the services and/or any charges at any time for any reason at its sole discretion and without any prior notice. The Customer shall be responsible for regularly reviewing these terms including amendments thereto as may be posted on the website.

## 12. DATA PROTECTION AND DISCLOSURE INFORMATION

12.1 The Customer agrees that KBZ Bank may contact, inquire, maintain, collect, disclose and use any or all information concerning the Customer as necessary and appropriate or as KBZ Bank deems



beneficial to the Customer in receiving information on other product and/or service. The Customer agrees and confirms that KBZ Bank is required to provide information to any court or government authorities.

- 12.2 Customer irrevocably consent to the disclosure by the Bank, the Bank's officers and agents, in any manner howsoever, of any account information relating to us including but not limited to details of our facilities, the securities taken, our credit balances and deposit with the Bank to (i) the Bank's head office, any of the Bank's representatives, documents checking and processing centers and branch offices in any jurisdiction, affiliates, (ii) any regulatory or supervisory authority including fiscal authority in any jurisdiction, (iii) any potential assignee of the Bank or any other participant in any of the Bank's rights and/or obligations in relation to our facilities, (iv) any guarantors, third party pledgers or security providers and the Bank's agents and independent contractors, (v) any insurers with whom cover is taken out in connection with our application, and (vi) any third party for use in connection with the provision of Bank's products or services.

### 13. LANGUAGE

This terms and conditions are made in both English and Myanmar and both versions shall be equally authentic and effective. In case of any discrepancy between two versions, the Myanmar version shall prevail.

### 14. GOVERNING LAW AND DISPUTE RESOLUTION

- 14.1 These terms and conditions shall be governed by, and construed in accordance with, the laws of the Republic of the Union of Myanmar and the Courts in Myanmar shall have exclusive jurisdiction to solve any dispute arising from or under these terms and condition.
- 14.2 Without prejudice to the foregoing, Customer undertake not to commence proceedings or suits against the Bank in the courts of any other jurisdiction. In the event of any proceedings or suits commenced by the Customer against the Bank, the Customer agree that Myanmar Courts shall have exclusive jurisdiction in respect of any disputes arising out of or in connection with this Terms and



Conditions. Customer agree to waive and do so waive any right vested on the Customer by the laws of the jurisdiction in which the Customer carryon business to challenge the validity or legality of any part of this provision.

## 15. ANTI-MONEY LAUNDERING AND SACTIONS

- 15.1 KBZ Bank is subject to anti-money laundering laws in the Republic of the Union of Myanmar and certain countries, which may prohibit KBZ Bank from entering or concluding transactions involving certain persons or entities.
- 15.2 The Customer must provide all information required by KBZ Bank in order to manage its anti-money laundering or counter-terrorism financing and risks from the economic trade sanctions or to comply with any other laws and regulations of the Republic of the Union of Myanmar.
- 15.3 The Customer declares and undertakes that the process of any transactions by KBZ Bank will not breach any of the laws in Myanmar or any other country.
- 15.4 Pursuant to any sanctions now and from time to time imposed by the United States of America, the European Union, the United Nations and/or any other regulatory or supervisory authority or body, the Bank shall not examine, accept, reject, discount or otherwise handle or deal with any documents, shipments, goods, payments and/or transactions in connection therewith that may relate, whether directly or indirectly, to any sanctioned countries, persons and/or parties. Accordingly, any presentation that may violate any of the aforesaid sanctions and/or applicable laws giving effect to the same may be rejected at the Bank's sole discretion without any liability whatsoever on the Bank's part.

## 16. ASSIGNMENT

- 16.1 The Customer shall not assign its rights or obligations under this terms and conditions, in whole or in part, nor enter into any subcontract to perform any portion of this terms and conditions, without the written consent of KBZ Bank.



16.2 The Bank may at any time assign all or part of the Bank's rights under this terms and conditions. The Bank may also disclose to any person to whom the Bank considers such information to be necessary or expedient, such information about us as the Bank shall consider appropriate (including but not limited to particulars of customer accounts with the Bank).

## 17. WAIVERS

Failure or delay on part of either party to enforce any provision(s) of this terms and conditions at any point of time shall not be construed to be a waiver by such party of such rights thereafter to enforce each and every provision of this terms and conditions.

## 18. NO RELATIONSHIP

Nothing in this terms and conditions shall be construed as to create the relationship of employer-employee, partners, collaborators, joint-venture or principal-merchant between the parties hereto. The parties shall be independent contractors and neither party shall bind the other by its acts, deeds or omissions. A person who is not a party to this Export Letter of Credit Bill Processing has no right under the Contracts to enforce any of the terms and conditions herein.

